

**U.S. Department of Veterans Affairs' Office of Small and
Disadvantaged Business Utilization**



SMALL BUSINESS ADVOCATE

Notes From Scott

Although 2004 has flown by, it has been an exciting and challenging year for OS-DBU and VA's acquisition professionals. 2004 saw implementation of the SDVOSB set-aside and sole source award authorities and contract bundling reviews.



Scott Denniston

In addition, President Bush signed Executive Order 13360 on October 20, 2004, "Service-Disabled Veteran Executive Order" that requires every Federal department and agency to develop and implement a strategy for improving accomplishments with SDVOSBs.

We've been busy working with the professionals in OA&MM's Acquisition Policy Division to develop VA's strategy, as well as hosting meetings with other departments and agencies, including groups and associations representing veteran entrepreneurs. I am pleased to say that VA's strategy is proactive, strong, and above all, ambitious. VA's strategy will be a model for others to follow.

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Business Owner's Tool-Kit

By Bruce St. John

The Center for Veterans Enterprise has assembled a "Business Owners Tool Kit" to help business owners pursue contracting opportunities with Federal agencies and take advantage of the new Service-Disabled Veteran-Owned Business (SDVOSB) procurement programs. The materials in this Tool Kit are provided as a starting point for the business owner to create their own marketing and contracting documents.

Five of the documents educate the business owner about the contracting goals and the new contracting authorities for SDVOSBs. Six additional documents are a starting point for marketing products or services to Federal agencies and then responding to opportunities.

Please call us at the Center for Veterans Enterprise 1-866-584-2344 to obtain a Toolkit zip. file, or if we can be of other assistance.

Show Your Creativity and Earn \$500

**(see page 6 for
details)**

**Volume 1, Issue 1
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Developing VA's strategy has been a labor of love that we anticipate will have a positive impact on the SDVOSB community. We recently submitted an article for publication in the upcoming issue of the NAC's Acquisition Newsletter. Please look for this article to become acquainted with the requirements of the Executive Order, as it will affect everyone involved in the planning, execution and oversight of acquisition activities throughout VA, from VA executives to purchase cardholders.

FPDS-NG has been a source of great frustration to everyone! FY 2004's was recently finalized and the socioeconomic reports will soon be published and distributed. I want to applaud the extraordinary and ongoing efforts of Kathy Kilgore at the Austin Automation Center to ensure VA's data is provided accurately and timely. Due to the difficulties with FPDS-NG, an incredible amount of work has fallen to Kathy. We all owe her a debt of gratitude, especially as a result of her work that obviated the need for VA to manually report all socioeconomic accomplishments to SBA due to the unreliability of FPDS-NG data. She saved VA's acquisition professionals thousands of hours of work and aggravation. I encourage each of you be fully responsive to Kathy's requests for corrections and clarifications, as this is an enormous undertaking and she works very hard to ensure that your activity gets maximum credit for your contributions in each of the socioeconomic categories. It is not only in the best interests of your activity, but VA's as a whole. Please take a minute and thank Kathy for her efforts on your behalf.

Since publication of the last OSDDBU Update, Ilene Waggoner has moved to the OSDDBU Office at the Department of Homeland Security. In addition, Ramsey Alexander, Jr., Senior Procurement Analyst, retired January 3, 2005, after 42 years and 9 months of Federal service. In addition to the loss of Ilene Waggoner and Ramsey Alexander, Jr., we are soon to lose one of our staunchest supporters and a true champion of small and veteran entrepreneurs – Secretary Principi.

I want to thank the Secretary for the leadership, access and support he has given to small business programs during his tenure as Secretary.

The Secretary established VA's Center for Veterans Enterprise, a part of OSDDBU on February 14, 2001. His vision and work on behalf of veteran entrepreneurs will be continued through the Center's work long after he leaves VA. On a personal note, I am proud to have had Secretary Principi as my mentor and count him among my friends over the years. His veteran advocacy and respect for the work of VA's careerists will never be forgotten. We wish the very best of everything for him and his family in the years to come.

As you have noticed, the OSDDBU Update has been on hiatus and we're committed to resuming regular publication of our newsletter. I've challenged the staff here to provide items of interest to our readers that are topical and informative, making a start with this, our first issue of the "Small Business Advocate", the successor to the OSDDBU "Update". A New Year—new look—new name. We invite your suggestions or contributions for publication as well.

Happy New Year from all of us in OSDDBU!

Southern Arizona VA Health Care System

By Sandra L. Hall, Procurement Clerk,
SAVAHCS



On November 9th, 2004, the Acquisition and Materiel Management Service at the Southern Arizona VA Health Care System in Tucson, Arizona, hosted its second annual Vendor Fair. This year the theme of the Vendor Fair, which was hosted during the week of Veterans Day, was "*Veteran-Owned Businesses – Our Number One Priority!*" The Vendor Fair gave veteran-owned and service-disabled veteran-owned businesses an opportunity to interact with other veteran-owned businesses, purchasing agents, contracting officers, and end users.

In keeping with the theme, the Vendor Fair targeted veteran-owned and service-disabled veteran-owned small businesses. Forty-one veteran-owned businesses participated in the Vendor Fair, offering a wide range of services and supplies that included construction; architect/engineer services; medical, dental, and surgical supplies; and many other products and services. Vendor Fair participants from Arizona and other States met with representatives from General Services Administration, the Small Business Administration, VA's National Acquisition Center, the City of Tucson's Office of Economic Development and VA's Office of Small and Disadvantaged Business Utilization. One customer commented that the Fair was "a good opportunity for VA employees to meet veteran-owned small businesses and interact with them".

Mr. Bruce St. John, from VA's Center for Veterans Enterprise, held an informative presentation on the Veterans Benefits Act of 2003 (15 U.S.C. 657f) which allows procurements to be set-aside (under certain circumstances) to service-disabled veteran-owned small businesses (Public Law 108-183).

Suspension of the Price Evaluation Adjustment for Small Disadvantaged Businesses at Civilian Agencies

On December 22, 2004, the Small Business Administration issued a memorandum to all Senior Procurement Executives in Civilian Agencies advising that the statutory authority for the Small Disadvantaged Business (SDB) price evaluation adjustment for civilian agencies has lapsed.

The SDB price evaluation adjustment for civilian agencies, originally authorized under the Federal Acquisition Streamlining Act of 1994 (Pub.L. 103-355, Sec. 7102), expired starting on December 9, 2004. This provision, as implemented in Federal Acquisition Regulation Subpart 19.11, authorized civilian agencies to apply the price evaluation adjustment to benefit certain certified SDBs in competitive acquisitions. Although the program was continued under the Small Business Administration's (SBA) temporary

authorizations, the authority for the SDB price evaluation adjustment was omitted from the Small Business Reauthorization and Manufacturing Assistance Act of 2004 (Pub.L. 108-447, Division K). As a result, civilian agencies have no statutory authority to apply the SDB price evaluation adjustment. An Information Letter (IL) from the Office of Acquisition and Material Management is forthcoming on this issue.

Please note that the statutory, government-wide goal for contracting with SDBs at not less than 5 percent remains in effect for both defense and civilian agencies.

The End of the Hard Copy Standard Forms 294 and 295

By Deborah VanDover

This year, the eSRS will replace the paper copies of the Standard Form 294, Subcontracting Report for Individual Contracts, and the Standard Form 295, Summary Subcontract Report (used for commercial subcontracting plans). Previously, Government contractors submitted their required reports, either, or both the SF 294 and 295, to the Office of Small and Disadvantaged Business Utilization (OSDBU), as well as to the cognizant contracting officer. OSDBU then compiled the data and submitted it to the Federal Data Procurement System (FPDS). This data was never consolidated Government-wide.



The original FPDS has now been replaced by FPDS-Next Generation and does not include subcontracting data. Therefore, the new eSRS will be the repository of subcontracting data for Federal Government contracts. Contractors are to log onto this system and enter their subcontracting data into the system. The deadline for submission of the data has been extended until February 28, 2005. The data is normally due 30 days after the close of the reporting period, or October 31st. Please notify the plan administrator, for each subcontracting plan monitored by your facility, of this change immediately so they do not spend time preparing the hard copy SF 294 and SF 295. If you would like to know more about the subject, please contact Deborah VanDover at 202 565 7795.

Santa "Cruises"?

On December 16th, personnel from OSDBU and the Center for Veterans Enterprise (CVE) cruised the Potomac River on Washington's Spirit Cruise Liner to celebrate the holiday season. In addition to enjoying the good food and fellowship, our very own Scott Denniston was tapped by the crew to play the role of Santa Claus as part of the cruise's entertainment.



Scott "Santa" Denniston

Scott performed for the 200 hundred or so passengers and crew assigned to our deck by donning a Santa Clause hat and playing an "inflatable" guitar and jamming with the entertainers on the dance floor. The inflatable guitar was provided by the crew, as Scott had left his at home. Suffice to say Scott will not be quitting his day job and jolly ole' Saint Nick has nothing to worry about, although Scott will practice for next year's cruise. Can you imagine that it's easier to get up in front of a large crowd of strangers and play a blow up guitar than it is advocating for small businesses at times?

Small Business Paperwork Relief Act

By Ramsey Alexander

The Small Business Paperwork Relief Act of 2003, Public Law 107-198 minimizes the paperwork burden on the small business community. Agencies are encouraged to utilize electronic forms and portals to reduce paperwork and to make it easier for small businesses to obtain agency forms, regulations & policies. Agencies must make every effort to reduce the information collection burden for small business concerns.



Additionally, the Act makes it easier to reach the VA's single point of con-

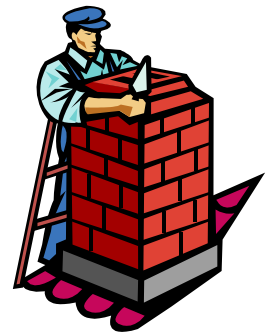
tact in order to respond to the SB community's complaint or inquiry about forms, regulation, and enforcement (See the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104-121). A goal of the Act is to consolidate information collection requirements within and across Federal agencies and programs. One way to accomplish this was the central portal at SBA (Ombudsman) and at each Federal agency (Single Agency Point of Contact).

An important website to see is at the following URL address: <http://www.sba.gov/ombudsman>. If you would like to learn more about this subject, contact the OSDBU office at (202) 565 8124 for more information.

Procurement History, the Cornerstone of Contract Bundling Review

By Victoria Johnson, Tyrone Lassiter and Terry Stewart

On March 17, 2004, OSDBU conducted its first contract bundling review pursuant to Information Letter (IL), 049-04-5, Contract Bundling and Contract Bundling Reviews, dated March 3, 2004. OSDBU has 15 working days to review the 2268 packet and to concur with the Contracting Officer's proposed acquisition strategy. By the close of FY 2004, OSDBU conducted over 300 contract bundling reviews.



A review of the 2268 packets submitted for contract bundling reviews reveals that most 2268 packets do not contain adequate procurement history, the majority of contained little if any procurement history. Without procurement history, a small business specialist cannot determine if a consolidation of requirements has occurred. Identifying a consolidation of requirements is the first step in determining whether a requirement is bundled.

Before submitting a 2268 packet to OSDBU for review, a Contracting Officer must ensure that the packet contains historical data of the requirement. A requirement's procurement history may include the

following: names of previous vendors, period of past contract performance, contract numbers, NAICS code, and method of previous procurement. Additionally, the 2268 packet should also include market research demonstrating whether the requirement is or is not suitable for small businesses, another component of the contract bundling review.

Ocwen Update

By Mark Taylor

On August 27, 2003, VA awarded a contract to Ocwen Federal Bank, FSB (Ocwen), headquartered in West Palm Beach, FL, for the management, marketing and sales of all VA Real Estate Owned Properties (REO) through the U.S. and its territories. The President of Ocwen announced that one of the company's primary goals under the contract is to promote the maximum use of small businesses, small disadvantaged businesses, women-owned, service-disabled veteran-owned, veteran-owned and HUBZone small businesses in their subcontracting.

Ocwen is in the process of implementing a new vendor management system that will actively track vendors and provide more automated reporting capabilities for monitoring subcontracting goals. Ocwen's new system is scheduled to be implemented by the end of this year. Today, vendors can register with Ocwen on line; however, the new system will take it even further by allowing vendors to present their invoices for payment on the same system. Vendors can present invoices and then receive an electronic payment rather than waiting for a hard copy check. This system is designed to pay vendors quicker, which all small businesses will find attractive. Additionally, the new system allows vendors to view all invoices submitted and their status.

Ocwen's goal is to help new vendors gain experience and build a track-record with Ocwen. Ocwen's performance based assignment process was temporarily modified to allow new vendors to receive assignments. Information is available from Ocwen's website www.ocwen.com, or at 1-800-523-9479 on how to become a broker or property manager with Ocwen.

Subcontracting

By Lynette Simmons

Deciding when a subcontracting plan should or should not be submitted to OSDBU is not always easy to answer. Similarly, knowing what a subcontracting plan should include sometimes stumps even the most seasoned Contracting Officer and Contract Administrator. Subcontracting plans submitted to OSDBU that contain errors and omissions delay the review process and ultimately the award of a contract. To assist Contracting Officers and Contract Administrators, we have compiled a list of helpful hints to expedite the review process.



Remember, subcontracting plans are required from large businesses prior to award and when the dollar value is \$500,000 (\$1 million for construction) and subcontracting opportunities exist. Subcontracting plans are not required from small business concerns; for personal services contracts; for contracts or contract modifications that will be performed entirely outside of the U.S. and its outlying areas. If it is determined that subcontracting opportunities do not exist, the determination must be approved one level higher than the Contracting Officer and a copy of the determination must be submitted to OSDBU and the original placed in the Contracting Officer's contract files.

Please remember:

- Activities without an assigned SBA Procurement Center Representative must submit a plan to OSDBU prior to award;
- All goal percentages should be rounded to the nearest 10th;
- Service-disabled veteran-owned small business is a subset of the veteran-owned small business and the goals cannot be greater than the veteran-owned small business goal;

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From, Subcontracting Page 5

- Prime contractors must provide the description of all the products and/or services to be subcontracted under the contract, and indicate the size and type of business supplying them (i.e., large, small, small disadvantaged, women-owned, HUBZone, service-disabled and veteran-owned small business concerns.)
- The contractor must list the types of products and/or services to be subcontracted out to the various businesses. The contractor must also enter percent of goal in each category. Zero percent goals and "to be determined" are unacceptable.
- It is the Prime Contractors' responsibility to notify the Contracting Officer when the subcontracting plan administrator has changed;
- Contracting Officers' should notify OSDBU when a company's name has changed and when contracts have expired; and
- Prime contractor reports should be submitted using the eSRS (see Page 3, Col 2).

For further guidance and assistance, please contact the Subcontracting Team (Lynette Simmons at (202) 565-8136 or Mark Taylor at (202) 565-8128) or refer to FAR Part 19.7, the Small Business Subcontracting Program.

Very Small Business Set-Aside Authority Expires

Authority for the Very Small Business (VSB) Program expired on June 5, 2004. Although Congress temporarily re-authorized these programs in late September, that temporary extension expired on December 8, 2004, and has not yet been renewed. Until Con-



gress re-authorizes the Very Small Business Set-Aside Program, contracting officers cannot set-aside acquisitions for award to VSBs. An Information Letter (IL) from the Office of Acquisition and Materiel Management is forthcoming to address this issue.

Show Your Creativity and Earn \$500!



As mentioned in "Scott's Notes" column in this issue of the VA Small Business Advocate (successor to the OSDBU Update), OSDBU is working to enhance the quality of content and appearance of its electronic newsletter. To that end, we're looking for talented and creative individuals in VA's acquisition and logistics community to design the logo for VA's Small Business Advocate Newsletter.

It's simple. Design a logo for the front page of the newsletter that incorporates the newsletter's name (the VA Small Business Advocate) and send it to OSDBU by March 1, 2005.

The rules are simple too. The design must be the submitting individual's work product (sorry folks, everyone knows your kids can do a wiz-bang job, but it must be *your* design), also, copyrighted materials are not acceptable. A panel of judges will review the designs and the top three designs will be submitted to the VA Acquisition and Logistics Mail Groups to vote on the top design. The design receiving the highest number of votes will be used as the new logo for the VA Small Business Advocate. The individual submitting the logo that is selected will receive a Special Contribution Award in the amount of \$500 and a certificate from OSDBU.

Designs that have a sharp, crisp and corporate look to them are strongly encouraged.

Meet This Issue's Featured SDVOSBs

Client/Server Software Solutions, Inc.

Ms. Lisa Wolford, a service-disabled veteran, is the president/CEO of CSSS.NET. She is a graduate of the University of Nebraska at Omaha, graduating Magna Cum Laude with BS, BA degrees and a triple specialization in Management Information Systems, Accounting, and Japanese Strategic Information Systems. Ms. Wolford has over twelve years of hands-on programming, systems analysis, and project management experience and in 1997 founded Client/Server Software Solutions.



CSSS.NET is a Small Business Administration certified 8(a) small disadvantaged business (SDB), woman-owned business (WOB), service-disabled veteran-owned business (SDVOB) firm. CSSS.NET has been in business for over seven years and has a Top Secret facility clearance. CSSS.NET holds two GSA contract vehicles: Schedule 70 – GS-35F-0748M and the STARS vehicle GS-06F-0389Z. The STARS contract vehicle is an 8(a) set-aside vehicle with numerous labor categories across 7 functional areas allowing CSSS.NET to service any information technology services requirement.

CSSS.NET provides information technology services that include Systems Integration, Business Process Reengineering, Software & Systems Engineering, Database Management, Web Enabled Applications, Quality Assurance, Information Assurance and Security. CSSS.NET is a protégé of Northrop Grumman, a tier one firm that is the second largest defense contractor in the nation. CSSS.NET is located at 5069 South 108th Street Omaha, NE 68137 Telephone 402 393 8059 Fax 402 393 1825 and email address lisa@csss.net.

Markee Distributors

Mr. Joseph M. Marchesani, a service-disabled veteran, is the owner of Markee Distributors, a SDVOSB offering medical batteries, two-way communication batteries, UPS back-up batteries, chargers & conditioners and batteries for most other applications. They also offer patient cables & leads and patient electrodes used for patient monitoring and pain management devices.

Joe has over 20 years in retail and purchasing experience both as an owner of a small retail store, and as a buyer for an international medical company. Markee Distributors serves over 69 VAMCs, including the Denver Distribution Center, and private sector medical centers clients.



Markee meets the Socio-economic requirements for SB, VOSB and SDVOSB. Proactive in bringing awareness to the concerns he and other SDVOSB & VOSB face, Joe participates in the monthly SDVOSB Task Force teleconferences and has been recognized by SDVOSB advocates as "...a good representative and ambassador for SDVOSBs...". Markee Distributors is headquartered at 18402 Little Oaks Drive, Jupiter, FL 33458. Their phone number is (561) 745-4829 and fax: (561) 745-4758 and by email: markee@adelphia.net or through their website: www.markeeonline.com.



Special Recognition and Acknowledgment



OSDBU expresses its admiration and gratitude to the acquisition professionals who have supported Service-Disabled Veteran-Owned Small Business Owners. These acquisition professionals shared their insights and experiences with Service-Disabled Veteran-Owned Small Business owners about the barriers and challenges Contracting Officers face when making awards to small businesses, particularly SDVOSB. OSDBU would like to thank the following individuals:

Mr. Marcus Clayton	VISN 15
Ms. Jodi Coki	Dayton VAMC
Mr. William A. Cox	Austin Automation Center
Ms. Carlene S. Rush	Tucson VAMC
Ms. Katherine S. Young	Battle Creek VAMC

OSDBU would also like to acknowledge and thank the following prime contractors and their representatives for counseling SDVOSBs about securing subcontracting awards and marketing large government contractors:

Company

Sunbridge Healthcare
Sunbridge Healthcare
Carothers
Carothers
SAIC
SAIC
Ocwen Bank
CR Associates
AGFA, Corporation

Representative

Ms. Lillan Werntz
Mr. Steve Chamberlain
Mr. Dave Smith
Ms. Loren Hoals
Mr. Bubak Nouri
Ms. Rochelle Lowe
Mr. Rick Wood
Ms. Marylyn Mackin
Ms. Priscilla Leak

Featured Websites

The VetBiz Vendor Information Page website contains veteran-owned and service-disabled veteran-owned business small business owners. <http://www.vetbiz.gov/vip/vip.htm>

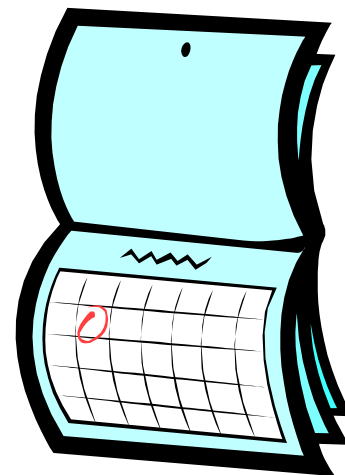
SUB-Net contains notices of Subcontracting Opportunities, for contractors and subcontractors: <http://web.sba.gov/subnet/>

In order to receive prime contract awards or purchase orders from VA, you must be registered in the Central Contractors Registration (CCR) database. This database and other helpful information is available from the government's Business Partners Network Website at : <http://www.bpn.gov>.



Events

DATE	EVENT/ LOCATION	CONTACT PERSON
Feb 5	Materiel Management Conference Orlando, FL	Linda F. Sitney 202-565-8132
Feb 15-16	Dept. of Health & Human Svcs. Small Business Conf., San Diego, CA	Linda F. Sitney 202-565-8132
Feb 21-22	Economic Empowerment & National Women's Leadership Conference Arlington, VA	Linda F. Sitney 202-565-8132
Feb 23	Tidewater Government Industry Council Ex- change Norfolk, VA	Linda F. Sitney 202-565-8132
Mar 8	Small Business Confer- ence Bedford, VA	Linda F. Sitney 202-565-8132
Mar 15	5th Annual Native Ameri- can Business Expo Lander, WY	Linda F. Sitney 202-565-8132
Mar 28-30	Government Procurement Connections Conference Houston, TX	Linda F. Sitney 202-565-8132



Know of a small business event? Let us know — call

Linda Sitney, 202-565-8132

OSDBU Main Line: (Toll-free) 1-800-949-8387

Commercial: 202-565-8124

Facsimile: 202-565-8156

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Carlton Knight, Program Support	202-565-5598	Carlton.Knight@mail.va.gov

Small Business Builds America!!!

- There are 22.4 million non-farm small businesses in America
- Two-thirds to three-quarters of all new jobs created in America are by small businesses
- 99% of all employers in America are small businesses
- Small businesses employ 51% of private-sector workers and produce 51% of private-sector output
- Small businesses employ 38% of all workers in America's high-tech jobs
- Small businesses are 96% of all exporters of goods
- Small businesses account for nearly all of the self-employed (7% of America's workforce)